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**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
LAFOURCHE PARISH, LOUISIANA**

**ANNUAL FINANCIAL REPORT**

***For the Year Ended December 31, 2008***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/1/09

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
ANNUAL FINANCIAL REPORT**

For the Year Ended December 31, 2008

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**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2008**

Our discussion and analysis of the Seventeenth Judicial District Office of the Indigent Defenders' (The Office's) financial performance provides a narrative overview of the financial activities for the year. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) - The Statement of Net Assets and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) - The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

***Government-Wide Financial Statements***

One of the most important questions asked about the Office's finances is, "Is the Office as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Office as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of the net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in the net assets are one indicator of whether its financial health is improving or deteriorating.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2008**

***Fund Financial Statements***

The Fund Financial Statements provide detailed information about the most significant funds—not the Office's operations as a whole. Some funds are required to be established by State laws. Other funds are established to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

*The Office utilizes only the governmental type of fund with the following accounting approach.* Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations at the bottom and following the fund financial statements.

***FINANCIAL HIGHLIGHTS***

Our financial statements provide these insights into the results of this year's operations:

- Net assets of our governmental funds increased by \$94,751 or approximately 29.6%
- During the year the Office had expenses of \$745,520 that were \$94,751 less than the \$840,271 generated in fees and other revenues for governmental programs.
- The governmental funds reported total ending fund balance of \$401,192. Fund balance for governmental activities increased by \$97,595 from the prior year - \$303,597.

The Statement of Net Assets and the Statement of Activities reports governmental activities. All of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended December 31, 2008

**FINANCIAL ANALYSIS OF THE OFFICE AS A WHOLE (GWFS)**

Our analysis below focuses on the net assets of the governmental-type activities:

Condensed Statement of Net Assets				
	2008	2007	Dollar Change	Total Percent Change
Current and Other Assets	\$ 401,192	\$ 303,597	\$ 97,595	32.1%
Capital Assets	13,841	16,685	(2,844)	-17.0%
<b>Total Assets</b>	<b>415,033</b>	<b>320,282</b>	<b>94,751</b>	<b>29.6%</b>
Invested in Capital Assets	13,841	16,685	(2,844)	-17.0%
Unrestricted	401,192	303,597	97,595	32.1%
<b>Total Net Assets</b>	<b>\$ 415,033</b>	<b>\$ 320,282</b>	<b>\$ 94,751</b>	<b>29.6%</b>

As a result of this year's operations, net assets increased by \$94,751. The increase was mainly due to an increase in grants from the state of approximately \$92,467 and charges for services that increased by \$74,494; however, expenses also increased by \$93,266. Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—absorbed the majority of the increase this year. The balance in net assets - \$415,033 represents the accumulated results of all past years' operations.

Our analysis below focuses on the changes in net assets of the governmental-type activities:

Condensed Statement of Activities				
	2008	2007	Dollar Change	Percent Change
Total program expenses	\$ (745,520)	\$ (652,254)	\$(93,266)	-14.3%
Total program revenues	829,411	662,450	166,961	25.2%
<b>Net program income</b>	<b>83,891</b>	<b>10,196</b>	<b>73,695</b>	<b>10.9%</b>
General revenues	10,860	13,339	(2,479)	-18.6%
<b>Change in Net Assets</b>	<b>94,751</b>	<b>23,535</b>	<b>71,216</b>	<b>-7.7%</b>
<b>Net Assets:</b>				
Beginning of the year	320,282	296,747	23,535	7.9%
End of the year	<b>\$ 415,033</b>	<b>\$ 320,282</b>	<b>\$ 94,751</b>	<b>29.6%</b>

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2008**

The total revenues for the year in governmental activities were \$840,271 (\$829,411 in charges for services and operating grants and \$10,860 in investment earnings and other revenues). The total cost of all judicial programs and services was \$745,520.

**FINANCIAL ANALYSIS OF THE OFFICE'S FUNDS (FFS)**

The Office utilizes funds to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The general fund reported an ending fund balance of \$401,192. This reflects an increase of \$97,595 from last year. This increase is primarily due to the same results described within the analysis of the governmental activities.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenue	\$ 704,753
Increase (Decrease) due to:	
Intergovernmental Revenue	<u>84,426</u>
Final Budgeted Revenues	\$ 789,179
Original Budgeted Expenditures	\$ 704,753
Increase (Decrease) due to:	
Panel attorneys and witness fees	80,426
Law Library	<u>4,000</u>
	\$ 789,179

**CAPITAL ASSETS**

The Office investment in capital assets, net of accumulated depreciation, for governmental activities was \$13,841.

This year there was \$1,900 of additions and no dispositions in capital assets. Depreciation expense of \$4,744 was charged to the governmental fund. More detailed information about the Office's capital assets is presented in Note 5 to the financial statements.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2008**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Among the factors considered in compiling the 2009 budget were:

1. any changes in rates and fees for the next fiscal year
2. personnel and benefit changes
3. any new laws and regulations enacted that would apply to the upcoming year
4. any new revenue sources or expenditures not previously encountered.

Highlights of next year's adopted budget for the general fund include:

Projected Beginning Balance	\$401,192
Anticipated Income for 2008	722,013
Anticipated Expenditures for 2008	722,013
Excess Expenditures over Revenues	(-)
Projected Ending Balance	\$401,192

**CONTACTING THE OFFICE 'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Office's finances and to show the Office's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Lawrence Autin, Office Manager  
Seventeenth Judicial District Office of the Indigent Defenders  
206 Green Street  
Thibodaux, LA 70301

## ***BASIC FINANCIAL STATEMENTS***





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

## INDEPENDENT AUDITOR'S REPORT

Seventeenth Judicial District  
Office of the Indigent Defenders  
Lafourche Parish, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defender Board as of and for the year ended December 31, 2008, which collectively comprise the basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the Seventeenth Judicial District Office of the Indigent Defenders' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Seventeenth Judicial District Office of the Indigent Defenders as of December 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 24, 2009, on our consideration of the Seventeenth Judicial District Office of the Indigent Defenders' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Required Supplementary Information section are not a required part of the basic financial statements but are supplementary information required by Government Auditing Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Seventeenth Judicial District Office of the Indigent Defenders. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Stagni & Company*

Thibodaux, Louisiana  
April 24, 2009



**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Statement of Net Assets  
December 31, 2008

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 359,098
Due from other governments	42,094
Total current assets	<u>401,192</u>
Noncurrent assets:	
Capital assets, net of depreciation	13,841
Total assets	<u><u>\$ 415,033</u></u>
 <b>NET ASSETS</b>	
Invested in capital assets	\$ 13,841
Unrestricted	401,192
Total net assets	<u><u>\$ 415,033</u></u>

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Statement of Activities  
For the Year Ended December 31, 2008

**Expenses:**

Governmental activities:

General government - Judicial:

Personnel services	\$ 423,997
Related benefits	57,290
Panel attorneys and witness fees	185,077
Law library	15,485
Legal and accounting	2,921
Insurance	7,471
Office supplies	11,453
Repair & Maintenance	678
Dues and subscriptions	1,800
Investigator expense	3,788
Travel, conventions, and training	1,753
Rent	21,000
Telephone	8,063
Depreciation	4,744
Total program expenses	<u>745,520</u>

**Program revenues:**

Charges for services	517,985
Operating Grants	<u>311,426</u>
Net program revenue	<u>83,891</u>

**General revenues:**

Unrestricted investment earnings	10,311
Other	<u>549</u>
Total general revenues	<u>10,860</u>

Increase in net assets	94,751
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**Net assets:**

Beginning of the year	320,282
End of the year	<u>\$ 415,033</u>

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Balance Sheet - Governmental Fund  
December 31, 2008

	General Fund-
<b>ASSETS</b>	
Cash and cash equivalents	\$ 359,098
Due from other governments	42,094
<b>TOTAL ASSETS</b>	<u>\$ 401,192</u>

**LIABILITIES AND FUND EQUITY**

Equity:	
Fund balances - unreserved, undesignated	\$ 401,192
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>401,192</u>

**RECONCILIATION TO STATEMENT OF NET ASSETS:**

Amounts reported for *governmental activities* in the  
Statement of Net Assets are different because  
Capital assets used in governmental activities  
are not financial resources

	13,841
Net assets of governmental activities	<u>\$ 415,033</u>

See notes to financial statements.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund

For the Year Ended December 31, 2008

**REVENUES**

Court cost on fines and forfeitures	\$ 502,295
Restitution	15,690
Grant from State of Louisiana	311,426
Interest Income	10,311
Other	549
<b>TOTAL REVENUES</b>	<u>840,271</u>

**EXPENDITURES - JUDICIAL:**

Current:

Salaries and related benefits	423,997
Related benefits	57,290
Panel attorneys and expert witness fees	185,077
Law library	15,485
Legal and accounting	2,921
Insurance	7,471
Office supplies	11,453
Repairs and maintenance	678
Dues and subscriptions	1,800
Investigator expense	3,788
Travel, conventions, and training	1,753
Rent	21,000
Telephone	8,063
Total current expenditures	<u>740,776</u>
Capital outlay	1,900
<b>TOTAL EXPENDITURES</b>	<u>742,676</u>

**EXCESS (DEFICIENCY) OF REVENUES  
OVER EXPENDITURES**

97,595

**FUND BALANCE:**

Beginning of year	303,597
End of year	<u>\$ 401,192</u>

See notes to the financial statements.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2008

Net change in fund balances - governmental fund (FFS) \$ 97,595

Amounts reported for *governmental activities* in the statement of activities  
(GWFS) are different because:

Governmental funds report capital outlays as expenditures in the individual fund.  
Governmental activities report depreciation expense to allocate the cost of those  
capital assets over the estimated useful lives of the asset.

Capital outlay	1,900	
Depreciation expense	<u>(4,744)</u>	
		<u>(2,844)</u>

Change in net assets of governmental activities (GWFS) \$ 94,751

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**INTRODUCTION**

The Seventeenth Judicial District Office of Indigent Defenders (the Office) formerly known as the Seventh Judicial District Board, was established in compliance with Louisiana Revised Statutes 15:144-149. Pursuant to the passage of Act 307, district indigent defender boards throughout the State of Louisiana were dissolved and district offices of public defender were created, all serving under the direction of the Louisiana Public Defender board headquartered in Baton Rouge. This change went into effect August 15, 2007. This local office now functions as the Seventeenth Judicial District Office of Indigent Defenders under the supervision of a Chief Public Defender (domiciled with the Seventeenth District) in charge of day to day operations, serving the Seventeenth Judicial District. Christopher Boudreaux serves as the Chief Public Defender for the Seventeenth Judicial District. Its purpose is to provide and compensate legal counsel appointed to represent indigents in criminal and quasi-criminal cases before the Seventeenth Judicial District Courts and the City Court of Thibodaux. The judicial district encompasses the Parish of Lafourche.

Revenues to finance the Office's operations are provided primarily from court cost, fines and forfeitures of bonds imposed by the courts. During the year 3,581 cases were opened. The Office employed thirteen employees who include the chief indigent defender, six assistant indigent defenders, an office manager/investigator, and five secretaries.

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.      Basis of Presentation**

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B.      Reporting entity**

Governmental Accounting Standards Board Statement No. 14 "The Financial Reporting Entity", sets forth the standards for defining and presenting the reporting entity in financial statements. To fairly present the financial position and results of operations of the financial reporting entity, a government must determine whether its reporting entity consists of only the legal entity known as the "primary government" or one or more organizations called "component units."



**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B.      Reporting entity (Continued)**

According to GASBS No. 14, the Seventeenth Judicial District Office of the Indigent Defenders is considered a component unit. In accordance with Act 307 of the Louisiana Legislature for the year 2007, district indigent defender boards throughout the State of Louisiana were dissolved and district offices of public defender were created, all serving under the direction of the Louisiana Public Defender board headquartered in Baton Rouge. The Board's powers and duties were transferred to the Chief Defender as of August 15, 2007. This act does not alter the entity or any of its activities or functions, only the governance. The Chief Defender's authority is contingent upon the approval of the Louisiana Public Defender Board, who appointed and may relieve the Chief Defender of his duties.

Inclusion of a "potential component unit" in the primary government's reporting entity depends on whether the primary government is financially accountable for the potential component unit. The key criteria for deciding financial accountability are any one of the following:

- a.      Fiscal dependency of the potential component unit on the primary government, or
- b.      The primary government appoints a voting majority of the potential component unit's governing body and:
  1.      the primary government can impose its will on the potential component unit and/or
  2.      a financial benefit/burden relationship exists between the primary government and the potential component unit; or
- c.      The primary government's financial statements would be misleading or incomplete if the potential component unit were excluded.

The Office's financial statements include all funds and activities et cetera, that are within the oversight responsibility of the Seventeenth Judicial District. Other local governments over which the Seventeenth Judicial District Office of the Indigent Defenders exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the Office.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C.      Fund accounting**

The Office's accounts are organized and operated on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

The Office reports the General Fund as a governmental fund. The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

**D.      Measurement Focus and Basis of Accounting**

*Government-Wide Financial Statements*

The Statement of Net Assets and the Statement of Changes in Net Assets report information on all of the non-fiduciary activities. Governmental activities are reported separately from business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

*Fund Financial Statements*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Court costs, fines, forfeitures, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when it is received by the government.

**E.      Deposits**

Cash includes amounts in interest-bearing demand deposits. Under state law, the Office may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under laws of the United States.

**F.      Capital assets**

Capital assets that include property, plant and equipment, are capitalized at historical cost or estimated cost and depreciated over their estimated useful lives. Donated assets are recorded as capital assets at their fair market value at the date of donation. The Office maintains a threshold level of \$300 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

- |             |            |
|-------------|------------|
| • Equipment | 3-10 years |
| • Furniture | 5 years    |
| • Law books | 5 years    |

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G.      Compensated absences**

Employees of the Office receive five (5) to twenty (20) working days of sick leave depending on their years of service and two (2) weeks to three (3) weeks of vacation leave each year after the employee has been employed for a period of twelve months, depending on their years of service. Unused leave may not be accumulated and is not paid upon termination or retirement; therefore, there are no leave benefits that are required to be reported in accordance with GASB Codification C60 or GABS Statement No. 16.

**H.      Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2      STEWARDSHIP, COMPLIANCE AND ACCOUTABILITY**

*Budget Information:*

A balanced operating budget is prepared by the Chief Indigent Defender and the Financial Officer. This took place on November 15, 2007. The budget may be amended during the year as conditions dictate so long as it remains in balance. The original budget was amended during the year.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 3      DEPOSITS**

Deposits (demand deposits, interest bearing demand deposits, time deposits, and certificates of deposit) are recorded at cost, which approximates fair value. The reported amount of deposits is as follows:

<b>ACCOUNT</b>	
Capital One interest-bearing checking account	\$ 58,077
Community Bank certificate of deposit	100,000
ASI Federal Credit Union certificate of deposit	101,021
South Lafourche Bank certificate of deposit	100,000
<b>TOTAL</b>	<b>\$ 359,098</b>

Custodial credit risk is the risk that in an event of a bank failure, deposits may not be returned. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities must be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Office had \$379,259 in deposits (collected bank balances). These deposits are secured fully by federal deposit insurance; therefore, none of the Office's deposits were exposed to custodial credit risk.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the entity that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4      DUE FROM OTHER GOVERNMENTS**

The balance due from other governments of \$42,094 is for court cost, fines and forfeitures fees collected and due from other governmental entities as follows:

Lafourche Parish Sheriff	\$33,329
City Court of Thibodaux	\$ 8,765

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 5 CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year is as follows:

<b>Governmental activities</b>	<b>Furniture, Equipment, And Library</b>
Balance at December 31, 2007	\$ 102,253
Additions	1,900
Deletions/Adjustments	-
Balance at December 31, 2008	104,153
Less: Accumulated Depreciation	(90,312)
Total capital assets, net	\$ 13,841

Depreciation expense of \$4,744 was charged to governmental activities.

**NOTE 6 PENSION PLAN**

**Plan Description.** All full-time employees of the Seventeenth Judicial District Office of the Indigent Defenders are members of the Parochial Employees Retirement System of Louisiana (the System), a cost sharing, and multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All full-time employees of the Office are members of Plan B.

All permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan B employees hired prior to 1/1/07 who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive months that produce the highest average for those employees hired prior to 1/1/07. Employees hired 1/1/07 and later who retire at or after age 67 with 7 years creditable service, at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average salary for each year of creditable service. Final Final-average salary is the employee's average salary over the 60 consecutive months that produce the highest average for those employees hired prior to 1/1/07.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 6      PENSION PLAN (Continued)**

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, P.O. Box 14619., Baton Rouge, Louisiana 70898, or by calling (225) 928-1361.

**Funding Policy.** Under Plan B, members are required by state statute to contribute 3.0 percent of their annual covered salary and the Office is required to contribute at an actuarially determined rate. The current rate is 6 percent of the annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the board are established and may be amended by state statute.

As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actual valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Office's contributions to the System under Plan B for the years ending December 31, 2008, 2007, and 2005, were \$24,854 (6%), \$23,838 (6%), and \$18,758 (5 ¾%), respectively, equal to the required contributions for each year.

**NOTE 7      RISK MANAGEMENT**

The Office is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; injuring to employees. The Office purchased commercial insurance policies for any and all claims relating to the above types of risks. The Office's is only liable for the payment of the deductible associated with the above types of risks. Settlements have not exceeded insurance coverage in any of the three preceding years.

**NOTE 8      OPERATING LEASE**

The Seventeenth Judicial District Office of the Indigent Defenders entered into an operating lease to rent a single story brick building located at 204 Green Street for a period of three years commencing on August 14, 2007 and ending on August 31, 2010 at a monthly rate of \$1,750.

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF INDIGENT DEFENDERS  
Notes to the Financial Statements  
For the Year Ended December 31, 2008**

**NOTE 9      Governmental Fund Revenues and Expenditures**

For the year ended December 31, 2008, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:

<b>State Government</b>			
Grants	<u>\$ 311,426</u>		
Total			\$ 311,426
<b>Local Government</b>			
Court costs, and other	<u>517,985</u>		
Total			517,985
<b>Investment Earnings</b>			10,311
<b>Miscellaneous</b>			<u>549</u>
Total Revenues			<u>\$ 840,271</u>

Expenditures:

<b>Personnel Services and Benefits</b>			
Salaries	\$ 423,997		
Retirement Contributions	24,854		
Payroll taxes	<u>32,436</u>		
Total			\$ 481,287
<b>Professional Development</b>			
Dues, licenses, and registrations	1,800		
Travel	<u>1,753</u>		
Total			3,553
<b>Operating Cost</b>			
Library and research	15,485		
Contract Services - Attorney/Legal	97,449		
Contract Services - Other	94,337		
Lease - Office	21,000		
Insurance	7,471		
Supplies	11,453		
Repairs and Maintenance	678		
Utilities and telephone	<u>8,063</u>		
Total			255,936
<b>Capital Outlay</b>			<u>1,900</u>
Total Expenditures			<u>\$ 742,676</u>



***REQUIRED SUPPLEMENTARY  
INFORMATION***

**SEVENTEENTH JUDICIAL DISTRICT  
OFFICE OF THE INDIGENT DEFENDERS**

Budgetary Comparison Schedule - General Fund  
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Court cost on fines and forfeitures	\$ 451,753	\$ 451,753	\$ 502,295	\$ 50,542
Restitution	15,000	15,000	15,690	690
Grant from the State of Louisiana	227,000	311,426	311,426	-
Interest Income	11,000	11,000	10,311	(689)
Other	-	-	549	549
Total revenues	<u>704,753</u>	<u>789,179</u>	<u>840,271</u>	<u>51,092</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	425,000	425,000	423,997	1,003
Related benefits	60,013	60,013	57,290	2,723
Panel attorneys and witness fees	145,000	225,426	185,077	40,349
Law library	12,000	16,000	15,485	515
Legal and accounting	6,240	6,240	2,921	3,319
Insurance	7,500	7,500	7,471	29
Office supplies	10,000	10,000	11,453	(1,453)
Repairs and maintenance	2,500	2,500	678	1,822
Dues and subscriptions	2,000	2,000	1,800	200
Investigator expense	-	-	3,788	(3,788)
Travel, conventions, and training	2,000	2,000	1,753	247
Rent	21,000	21,000	21,000	-
Telephone and utilities	9,000	9,000	8,063	937
Total current expenditures	<u>702,253</u>	<u>786,679</u>	<u>740,776</u>	<u>45,903</u>
Capital outlay	<u>2,500</u>	<u>2,500</u>	<u>1,900</u>	<u>600</u>
Total expenditures	<u>704,753</u>	<u>789,179</u>	<u>742,676</u>	<u>46,503</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	97,595	97,595
<b>FUND BALANCE:</b>				
Beginning of the year	303,597	303,597	303,597	-
End of the year	<u>\$ 303,597</u>	<u>\$ 303,597</u>	<u>\$ 401,192</u>	<u>\$ 97,595</u>

## ***REPORTS REQUIRED BY GAO***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Seventeenth Judicial District  
Office of the Indigent Defenders  
Lafourche Parish, Louisiana

We have audited the basic financial statements of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defender Board as of and for the year ended December 31, 2008, and have issued our report thereon dated April 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Seventeenth Judicial District Office of the Indigent Defenders' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of financial statements that are more than inconsequential will not be prevented or detected by internal control.

Seventeenth Judicial District  
Office of the Indigent Defenders  
Lafourche Parish Louisiana  
Page 2

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by internal controls.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Seventeenth Judicial District Office of the Indigent Defenders' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
April 24, 2009



**SEVENTEENTH JUDICIAL DISTRICT  
INDIGENT DEFENDER BOARD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2008**

We have audited the financial statements of the governmental activities and major fund of the Seventeenth Judicial District Office of the Indigent Defenders, State of Louisiana, a component unit of the Louisiana Public Defenders Board as of and for the year ended December 31, 2008, which collectively comprise the basic financial statements, and have issued our report thereon dated April 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Our audit of the basic financial statements as of December 31, 2008 resulted in an unqualified opinion.

***Section I Summary of Auditor's Reports***

***a. Report on Internal Control and Compliance Material to the Financial Statements***

**Internal Control**

Material Weaknesses	No
Significant Deficiencies	No

**Compliance**

Compliance Material to Financial Statements    No

***b. Federal Awards        N/A***

**Internal Control**

Material Weaknesses	No
Significant Deficiencies	No

<b>Type of Opinion On Compliance</b>	Unqualified <input type="checkbox"/> Qualified <input type="checkbox"/>
<b>For Major Programs</b>	Disclaimer <input type="checkbox"/> Adverse <input type="checkbox"/>

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)? ☐ Yes ☐ No

***c. Identification of Major Programs: N/A***

***Section II Financial Statement Findings***

**NOT APPLICABLE**

***Section III Federal Award Findings and Questioned Costs***

**NOT APPLICABLE**

